

General Assembly

## **Amendment**

January Session, 2019

LCO No. 10333



Offered by:

REP. PERILLO, 113th Dist.

To: Subst. Senate Bill No. 647

File No. 592

Cal. No.

(As Amended)

## "AN ACT STREAMLINING THE LIQUOR CONTROL ACT."

- Strike subsection (d) of section 5 in its entirety and substitute the following in lieu thereof:
- 3 "(d) (1) A manufacturer permit for cider and mead shall allow the
- 4 manufacture of cider not exceeding six per cent alcohol by volume,
- 5 apple wine not exceeding fifteen per cent alcohol by volume, apple
- 6 brandy, eau-de-vie and mead and the storage, bottling and wholesale
- 7 distribution and sale of cider not exceeding six per cent alcohol by
- 8 volume, apple wine not exceeding fifteen per cent alcohol by volume,
- 9 apple brandy, eau-de-vie and mead manufactured or bottled by the
- 10 permit holder to permittees in this state and without the state as may
- 11 be permitted by law; but no such permit shall be granted unless the
- 12 place or the plan of the place of manufacture has received the approval
- of the Department of Consumer Protection.
- 14 (2) Such permit shall, at a single principal premises, authorize (A)

the sale in bulk by the holder thereof from the premises where the products are manufactured pursuant to such permit; (B) as to a manufacturer who produces one hundred thousand gallons or less per year of products manufactured pursuant to such permit, the sale and shipment by the holder thereof to a retailer of such products manufactured by the permittee in the original sealed containers of not more than fifteen gallons per container; (C) the sale and shipment by the holder thereof of such products manufactured by the permittee to persons outside the state; (D) the offering and tasting of free samples of such products, dispensed out of bottles or containers having capacities of not more than two gallons per bottle or container, to visitors and prospective retail customers for consumption on the premises of the permittee; (E) subject to the provisions of subsection (d) of section 30-91, as amended by this act, the sale at retail from the premises of sealed bottles or other sealed containers of such products for consumption off the premises; (F) the sale at retail from the premises of such products by the glass and bottle to visitors on the premises of the permittee for consumption on the premises; and (G) subject to the provisions of subdivision (3) of this subsection, the sale and delivery or shipment of such products manufactured by the permittee directly to a consumer in this state. Notwithstanding the provisions of subparagraphs (D), (E) and (F) of this subdivision, a town may, by ordinance or zoning regulation, prohibit any such offering, tasting or selling at retail at premises within such town for which a manufacturer permit has been issued.

(3) A permittee, when selling and shipping a product produced pursuant to this permit, directly to a consumer in this state, shall: (A) Ensure that the shipping labels on all containers of such products shipped directly to a consumer in this state conspicuously state the following: "CONTAINS ALCOHOL—SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY"; (B) obtain the signature of a person age twenty-one or older at the address prior to delivery, after requiring the signer to demonstrate that he or she is age twenty-one or older by providing a valid motor vehicle operator's

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49 license or a valid identity card described in section 1-1h; (C) not ship 50 more than five gallons of product produced pursuant to this permit in any two-month period to any person in this state; (D) pay, to the 51 52 Department of Revenue Services, all sales taxes and alcoholic beverage 53 taxes due under chapters 219 and 220 on sales of products produced 54 pursuant to this permit to consumers in this state, and file, with said 55 department, all sales tax returns and alcoholic beverage tax returns relating to such sales; (E) report to the Department of Consumer 56 57 Protection a separate and complete record of all sales and shipments to consumers in the state, on a ledger sheet or similar form which readily 58 59 presents a chronological account of such permittee's dealings with each such consumer; (F) not ship to any address in the state where the 60 sale of alcoholic liquor is prohibited by local option pursuant to section 61 62 30-9; and (G) hold an in-state transporter's permit pursuant to section 63 30-19f, as amended by this act, or make any such shipment through the 64 use of a person who holds such an in-state transporter's permit.

- (4) No holder of a manufacturer permit for cider and mead may sell any product not manufactured by such permit holder, except such permittee may sell from the premises (A) cider not exceeding six per cent alcohol by volume, apple wine not exceeding fifteen per cent alcohol by volume, apple brandy and eau-de-vie and mead manufactured by another such permit holder located in this state, and (B) brandy manufactured from fruit harvested in this state and distilled off the premises in this state.
- (5) A holder of a manufacturer permit for cider and mead, when advertising or offering products for direct shipment to a consumer in this state via the Internet or any other on-line computer network, shall clearly and conspicuously state such liquor permit number in its advertising.
- (6) A holder of a manufacturer permit for cider and mead may sell
  and offer free tastings of products produced pursuant to such permit
  that are manufactured by such permit holder at a farmers' market, as
  defined in section 22-6r, that is operated as a nonprofit enterprise or

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82 association, provided such farmers' market invites such holder to sell

- 83 such products at such farmers' market and such holder has a farmers'
- 84 market sales permit issued by the Commissioner of Consumer
- 85 Protection in accordance with the provisions of subsection (a) of
- 86 section 30-370, as amended by this act.
- 87 (7) The annual fee for a manufacturer permit for cider and mead 88 shall be two hundred dollars."
- After subdivision (7) of subsection (d) of section 5, insert the following:
- 91 "(e) A manufacturer permit for wine shall allow the manufacture of
- 92 wine and the storage, bottling and wholesale distribution and sale of
- 93 wine manufactured or bottled by the permit holder to permittees in
- 94 this state and without the state as may be permitted by law, but no
- 95 such permit shall be granted unless the place or the plan of the place of
- 96 <u>manufacture has received the approval of the Department of</u>
- 97 <u>Consumer Protection. No holder of a manufacturer permit for wine</u>
- 98 may sell any wine not manufactured by such permit holder. The
- 99 <u>annual fee for a manufacturer permit for wine shall be one thousand</u>
- 100 eight hundred fifty dollar."
- Strike subsection (a) of section 10 in its entirety and substitute the following in lieu thereof:
- 103 "(a) The Commissioner of Consumer Protection shall issue an off-
- site farm winery sales and cider and mead tasting permit to a holder of
- 105 a manufacturer permit for a farm winery or to a holder of a
- manufacturer permit for cider and mead upon the holder's submission
- of proof to the commissioner that the holder is in compliance with the
- requirements of subsection [(e)] (c) or (d) of section 30-16, as amended
- 109 <u>by this act</u>. An off-site farm winery sales and <u>cider and mead</u> tasting
- permit shall authorize the sale and offering of free samples of [wine]
- 111 <u>products</u> manufactured [from the farm winery] <u>by such permittees</u>
- during a total of not more than seven events or functions per year held
- pursuant to a temporary liquor permit issued pursuant to section 30-

114 35, a charitable organization permit issued pursuant to section 30-37b 115 or a nonprofit corporation permit issued pursuant to section 30-37h, at 116 locations outside the [manufacturer] permit [for a farm winery] holder's permit premises, provided such holder: (1) Notifies the 117 118 Department of Consumer Protection, on a form prescribed by the 119 Commissioner of Consumer Protection, not less than five business 120 days prior to the date of the event or function, of the date, hours and 121 location of each event or function, (2) sells only wine, cider and mead 122 by the bottle at the event or function, and (3) is present, or has an 123 authorized representative present, at the time of the sale of any [bottle 124 of wine] such bottles or the offering of a free sample of [wine] such 125 products from the [farm winery] permit holder at the event or 126 function. An off-site farm winery sales and cider and mead tasting 127 permit shall be valid for a period of one year from the date of issuance. 128 The annual fee for such permit shall be two hundred fifty dollars. 129 There shall be a one-hundred-dollar nonrefundable filing fee for any 130 such permit."

- 131 Strike subsection (b) of section 11 in its entirety and substitute the 132 following in lieu thereof:
- 133 "(b) No person, corporation, trust, partnership, incorporated or 134 unincorporated association, and any other legal entity except: (1) The 135 holder of an out-of-state shipper's permit issued pursuant to section 136 30-18 or 30-19; (2) the holder of a manufacturer's permit issued pursuant to section 30-16, as amended by this act, other than the 137 138 holder of a [manufacturer's] manufacturer permit for a farm winery or 139 a manufacturer permit for cider and mead; and (3) the holder of a 140 wholesaler's permit issued pursuant to section 30-17 shall transport 141 any alcoholic beverages imported into this state unless such person 142 holds an in-state transporter's permit and the tax imposed on such 143 alcoholic liquor by section 12-435, as amended by this act, has been 144 paid and, if applicable, the tax imposed on the sale of such alcoholic 145 liquor pursuant to chapter 219 has been paid."
- Strike section 13 in its entirety and substitute the following in lieu

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148 "Sec. 13. (a) A wine festival permit shall allow the holder of a 149 manufacturer permit for a farm winery or for the holder of a 150 manufacturer permit for cider and mead, issued pursuant to section 151 30-16, as amended by this act, to participate in a wine festival 152 organized and sponsored by an association that promotes the 153 manufacturing and selling of [farm] wine in this state or such 154 association's not-for-profit subsidiary. Such association or such 155 association's not-for-profit subsidiary shall not organize and sponsor 156 more than two such wine festivals in any calendar year. The 157 Commissioner of Consumer Protection shall allow only two such wine 158 festivals in any calendar year, regardless of the number of such [farm 159 winery] permittees or such organizing and sponsoring associations or 160 not-for-profit subsidiaries participating in such wine festivals.

- (b) A wine festival permit shall authorize: (1) The sale and shipment of wine manufactured by [the farm winery permittee] such permittees and sold at such wine festival to persons outside the state; (2) the offering and tasting of free samples of wine to visitors and prospective retail customers for consumption on the grounds of the wine festival; (3) the sale at retail of sealed bottles or other sealed containers of wine for consumption off the grounds of the wine festival; and (4) the sale at retail of wine by the glass or receptacle, provided the glass or receptacle is embossed or otherwise permanently labeled with the name and date of the wine festival.
- (c) No farm winery <u>or cider and mead manufacturer</u> permittee may sell, offer or give to any person or entity wine not manufactured by such [farm winery] <u>permittee</u>.
- (d) Only two wine festival permits may be issued per calendar year pursuant to this section by the Commissioner of Consumer Protection to each holder of a manufacturer permit for a farm winery or a manufacturer permit for cider and mead. A wine festival permit shall not be effective for more than three consecutive days per calendar

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179 year. The fee for a wine festival permit shall be seventy-five dollars."

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Strike subsection (a) of section 15 in its entirety and substitute the following in lieu thereof:

"(a) The Commissioner of Consumer Protection shall issue a farmers' market [wine] sales permit to a holder of a manufacturer permit for a farm winery, the holder of a manufacturer permit for cider and mead or the holder of a manufacturer permit for beer, upon submission of proof to the commissioner that such holder is in compliance with the applicable permit requirements of subsection [(e)] (b), (c) or (d) of section 30-16, as amended by this act. Such permit shall authorize the sale of [wine] products manufactured [from] by such [farm winery] permittees during an unlimited number of appearances at a farmers' market at not more than ten farmers' market locations per year provided such holder: (1) Has an invitation from such farmers' market to sell [wine] such products at such farmers' market, (2) only sells [wine] such products by the bottle or sealed container at such farmers' markets, and (3) is present, or has an authorized representative present, at the time of sale of any such [bottle of wine] product from such [farm winery] permit holder at such farmers' market. Any such [farmers' market wine sales] permit shall be valid for a period of one year from the date of issuance. The annual fee for [a farmers' market wine sales] such permit shall be two hundred fifty dollars. There shall be a one-hundred-dollar, nonrefundable filing fee for any such permit."

Strike subsection (a) of section 16 in its entirety and substitute the following in lieu thereof:

"(a) No backer or permittee of one permit class shall be a backer or permittee of any other permit class except in the case of any class of airport, railroad, airline and boat permits, and except that: (1) A backer of a hotel or restaurant permit may be a backer of both such classes; (2) a holder or backer of a [manufacturer permit for a brew pub, a] restaurant permit or a cafe permit may be a holder or backer of any

other or all of such classes; (3) a holder or backer of a restaurant permit may be a holder or backer of a bowling establishment permit; (4) a backer of a restaurant permit may be a backer of a coliseum permit or a coliseum concession permit, or both, when such restaurant is within a coliseum; (5) a backer of a hotel permit may be a backer of a coliseum permit or a coliseum concession permit, or both; (6) a backer of a coliseum permit may be a backer of a coliseum concession permit; (7) a backer of a coliseum concession permit may be a backer of a coliseum permit; (8) a backer of a grocery store beer permit may be a backer of a package store permit if such was the case on or before May 1, 1996; (9) a backer of a university permit may be a backer of a nonprofit theater permit; (10) [subject to the discretion of the department, a backer of a permit provided for in section 30-33b, may be a backer of any other retail on-premise consumption permit, including those permits provided for in section 30-33b; (11)] a backer of a nonprofit theater permit may be a holder or backer of a hotel permit; [(12)] (11) a holder or backer of a restaurant permit may be a holder or backer of a special outing facility permit; [(13)] (12) a backer of a concession permit may be a backer of a coliseum permit or a coliseum concession permit, or both; [(14)] (13) a holder of an out-of-state winery shipper's permit for wine may be a holder of an in-state transporter's permit or an out-ofstate entity wine festival permit issued pursuant to section 30-37m, or of both such permits; [(15)] (14) a holder of an out-of-state shipper's permit for alcoholic liquor other than beer may be a holder of an instate transporter's permit; [(16)] (15) a holder of a manufacturer permit for a farm winery or the holder of a manufacturer permit for cider and mead may be a holder of an in-state transporter's permit, a wine festival permit issued pursuant to section 30-37l, as amended by this act, a farmers' market [wine] sales permit issued pursuant to subsection (a) of section 30-37o, as amended by this act, an off-site farm winery sales and tasting permit issued pursuant to section 30-16a, as amended by this act, or of any combination of such permits; [and (17)] (16) a holder of a manufacturer permit for beer [, manufacturer permit for a brew pub, manufacturer permit for beer and brew pub or manufacturer permit for a farm brewery] may be a holder of a farmers'

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market [beer] sales permit issued pursuant to section [30-37r] 30-37o. 246 247 Any person may be a permittee of more than one permit; [A person 248 may be a permittee under a permit provided for in section 30-33b and 249 a backer of any other retail on-premise consumption permit, including 250 those permits provided for in section 30-33b. The operator of a racing 251 or jai alai exhibition with pari-mutuel betting licensed by the 252 Department of Consumer Protection may be a backer of any permit 253 provided for in section 30-33b] and (17) the holder of a manufacturer 254 permit for spirits, a manufacturer permit for beer, a manufacturer 255 permit for a farm winery or a manufacturer permit for cider and mead 256 may be a holder of a Connecticut craft cafe permit, a restaurant permit 257 or a restaurant permit for wine and beer. No holder of a manufacturer 258 permit for a brew pub and no spouse or child of such holder may be a 259 holder or backer of more than three restaurant permits or cafe 260 permits."

Strike subsection (f) of section 17 in its entirety and substitute the following in lieu thereof:

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"(f) The retail sale [of wine] and the tasting of free samples of wine, cider not exceeding six per cent alcohol by volume, apple wine not exceeding fifteen per cent alcohol by volume, apple brandy, eau-de-vie and mead by visitors and prospective retail customers of a permittee holding a manufacturer permit for a farm winery or a manufacturer permit for cider and mead on the premises of such permittee shall be unlawful on Sunday before ten o'clock a.m. and after ten o'clock p.m. and on any other day before eight o'clock a.m. and after ten o'clock p.m. Any town may, by vote of a town meeting or by ordinance, reduce the number of hours during which sales and the tasting of free samples of [wine] products under this subsection shall be permissible."

Strike subsection (c) of section 18 in its entirety and substitute the following in lieu thereof:

"(c) The holder of a Connecticut craft cafe permit may purchase alcoholic liquor for resale on such permit holder's premises from the

holder of a: (1) Manufacturer permit for spirits issued pursuant to subsection (a) of section 30-16 of the general statutes, as amended by this act, (2) manufacturer permit for beer issued pursuant to subsection (b) of section 30-16 of the general statutes, as amended by this act, (3) manufacturer permit for a farm winery issued pursuant to subsection (c) of section 30-16 of the general statutes, as amended by this act, or (4) manufacturer permit for cider and mead issued pursuant to subsection (d) of section 30-16 of the general statutes, as amended by this act. The holder of a Connecticut craft cafe permit shall not purchase the same type of alcoholic liquor such permit holder manufactures from any holder of a manufacturer permit specified in subdivision (1), (2) or (3) of this subsection. The sale of such alcoholic liquor shall not be more than twenty per cent of the Connecticut craft cafe permit holder's gross annual sales of all alcoholic liquor sold for on-premise consumption."